



*The Public Service Commission
State of South Carolina*

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December 2, 2005

Certified Mail
Return Receipt Requested

Wolfgang Buchmaier, Esquire
Buchmaier Law Firm, LLC
South Trust Tower
1201 Main Street, Suite 1980
Columbia, South Carolina 29201

Benjamin Mustian, Esquire
Office of Regulatory Staff
Post Office Box 11263
Columbia, South Carolina 29211

Re: Application of 800 Response Information Services, LLC
Commission Docket No. 2005-139-C

Dear Mr. Buchmaier and Mr. Mustian:

Enclosed please find a proposed order in the above-captioned docket which is being delivered to you pursuant to the requirements of 26 S.C. Code Ann. Regs. 103-865(C). As parties of record in the 800 Response Information Services, LLC case, you have ten (10) days from your receipt of this proposed order to file exceptions, present briefs, and/or file written requests for oral argument to the Commission, if you should desire to do so. If none of these are received by me within ten (10) days of your receipt of the proposed order, I will request that the Commission issue its order in this case based upon the record of the formal proceeding and the proposed order.

Thank you in advance for your consideration in this matter.

Sincerely,

F. David Butler
Hearing Examiner

FDB/hha
Enclosure

cc: Joseph Melchers, Chief Counsel

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-231-C - ORDER NO. 2005-451
AUGUST 25, 2005

IN RE:	Application of Vanco Direct USA, LLC for a)	ORDER APPOINTING
	Certificate of Public Convenience and)	HEARING EXAMINER
	Necessity to Provide Resold Interexchange and)	
	Local Exchange Communications Services, for)	
	Modified Alternative Regulation for Certain)	
	Interexchange Services and for Flexible Rate)	
	Structure for Local Exchange Service)	
	Offerings.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on Motion of the Commission Staff to appoint F. David Butler, Esquire, Senior Counsel, as a "hearing examiner" for a hearing regarding Vanco Direct USA, LLC's Application in this Docket. Mr. Butler would hear the evidence in the case without the presence of the Commission. We grant the Motion.

S.C. Code Ann. Section 58-9-1020 (1976) allows the Commission to employ a special agent or examiner in a telecommunications hearing. This person may administer oaths, examine witnesses, and receive evidence in any locality which the Commission may designate. The examiner may not be used in a telephone rate proceeding under the statute. We would note that the present proceeding is not a telephone rate proceeding.

Further, 26 S.C. Code Ann. Regs. 103-865(A) (1976) states that when evidence is to be taken in a formal proceeding before the Commission, any Commissioner or any hearing examiner designated by the Commission may preside at the hearing. The

presiding officer has the duty to conduct full, fair, and impartial hearings under Section B of the Regulation. Section C of the Regulation requires that the presiding officer mail to the parties of record a proposed Order when a majority of the Commissioners do not hear a formal proceeding or read the record thereof. The proposed Order shall contain a statement of facts relied upon in formulating such Order and each issue of fact or law necessary to it. The Regulation then describes a mechanism for the parties to take exception to the proposed Order, and ultimately states, among other things, that the Commission will issue the final Order in the case, based upon the record, the proposed Order, and other materials and any oral arguments that may take place. We believe that this Regulation describes the appropriate procedure for Mr. Butler to employ as a hearing examiner in the present case.

Mr. Butler is a Senior Counsel to the Commission and has been employed in a legal position with the Commission since 1991. We believe that Mr. Butler has the ability and knowledge to properly carry out the hearing examiner's role in this case, and we therefore grant the Motion appointing him as hearing officer in this case.

In accordance with the preceding paragraphs, we make the following:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. S.C. Code Ann. Section 58-9-1020 (1976) allows the Commission to employ a special agent or examiner in non-rate telecommunications hearings.
2. The present proceeding is not a telephone rate proceeding.
3. 26 S.C. Code Ann. Regs. 103-865 (1976) allows a hearing examiner designated by the Commission to preside at a hearing. This Regulation sets out the duties

and procedures to be employed by that examiner. These should be employed in the present case.

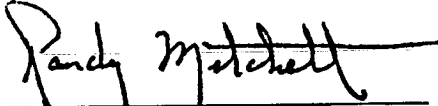
4. Mr. Butler has been employed by the Commission in a legal position since 1991 and has the ability and knowledge to act as a hearing examiner in the present case.

5. Mr. Butler should be appointed as the hearing examiner in this case.

ORDER

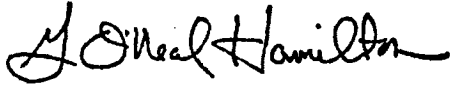
The Commission hereby appoints F. David Butler as the hearing examiner in the present case. Mr. Butler shall follow all applicable statutes and regulations that may pertain to his appointment. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice Chairman

(SEAL)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-139-C - ORDER NO. 2005-
DECEMBER 2, 2005

IN RE: Application of 800 Response Information Services, LLC for a Certificate of Public Convenience and Necessity to Provide Resold Long Distance Telecommunications Services and for Alternative Regulation of its Long Distance Service Offerings.) ORDER) GRANTING) CERTIFICATE FOR) INTEREXCHANGE) AUTHORITY AND) MODIFIED) ALTERNATIVE) REGULATION-) PROPOSED ORDER OF) HEARING EXAMINER
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This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Application of 800 Response Information Services, LLC ("Information Services" or the "Company") requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of interexchange telecommunications services within the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 2004) and the general regulatory authority of the Commission. By its Application, Information Services also requests alternative regulation of its business services offerings identical to that granted to AT&T Communications in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, as modified by Commission Order No. 2001-997 in Docket No. 2000-407-C, and further requests waiver of certain Commission regulations.

The Commission's Docketing Department instructed Information Services to publish, one time, a Notice of Filing in newspapers of general circulation in the areas of the State affected by the Application. The purpose of the Notice of Filing was to inform interested parties of the Application of Information Services and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. Information Services complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. No Petitions to Intervene or Protests were filed.

This Commission appointed Mr. David Butler as hearing examiner in this case in Order No. 2005-330, pursuant to the authority granted in S.C. Code Ann. Section 58-9-1020 (1976). Subsequent to the hearing in this matter and pursuant to 26 S.C. Code Ann. Regs. 103-865, Mr. Butler submitted a proposed order to the parties in this matter, and gave those parties ten days after receipt of that Order to file exceptions to the Order, briefs, or a request for oral argument before this Commission. No exceptions, briefs, or requests for oral argument were received. Accordingly, we will decide the matter based on the record of the case and the proposed Order as submitted by the hearing examiner.

A hearing was convened on November 28, 2005, at 10:00 a.m. in the offices of Garber Reporting Service, Columbia, South Carolina before hearing examiner Butler. Information Services was represented by Wolfgang Buchmaier, Esquire. Benjamin Mustian, Esquire, represented the Office of Regulatory Staff. Prior to the testimony being presented in the case, the parties announced a settlement of the issues in the case. The settlement agreement was entered into the evidence as Hearing Exhibit 1, and is attached hereto as Order Exhibit 1.

Two witnesses appeared before the hearing examiner via videoconference from Burlington, Vermont. Andy Montroll, Esquire, Corporate Counsel and Linda Young, Director of Operations for the Company both testified in support of the Application. Mr. Montroll noted that the Company was established on December 30, 2004, and that the Company had received certification from forty of the fifty states. The Company does not plan to seek certification in Alaska or Hawaii. Mr. Montroll noted that the Company has not had its certification revoked or suspended in any of the States in which it has been certificated. Further, Mr. Montroll testified that the Company intended to offer 800 numbers to business customers throughout the country.

Linda Young stated that the Company intends to provide inbound “800” toll free services via resale from WorldCom, and that the Company is authorized to do business in the State of South Carolina. Ms. Young stated that the Company is only interested in business customers, not residential customers. Further, Ms. Young testified that the Company has the managerial, technical, and financial qualifications to provide its services in South Carolina. The Company commenced operations on July 1, 2005 and is cash flow positive from existing operations. In addition, Ms. Young states that the Company’s provision of resold inbound 800 toll-free services to non-residential customers will serve the public interest by providing a competitive alternative to South Carolina customers. Ms. Young also testified that the Company is seeking modified alternative regulation of its services, and waivers of Commission regulations with regard to the location of books and records and the publication of a local directory. Information

Services also seeks to use “GAAP” as its accounting methodology instead of the Uniform System of Accounts.

After full consideration of the applicable law, the Company’s Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. Information Services is organized as a limited liability company under the laws of the State of Vermont and is authorized to do business as a foreign corporation in the State of South Carolina by the Secretary of State.

2. Information Services is currently licensed to operate as a telecommunications reseller in forty states.

3. Information Services desires to operate as a reseller of interexchange telecommunications services in South Carolina.

4. We find that Information Services possesses the managerial experience and capability to operate as a non-facilities based reseller of interexchange services in South Carolina.

5. We further find, based on the materials submitted by the Company, that Information Services possesses sufficient financial resources to provide the services as described in its Application.

6. We find that the issuance of a Certificate of Public Convenience and Necessity to Information Services to operate as a reseller of interexchange telecommunications services in South Carolina would be in the best interest of the

citizens of South Carolina by increasing the level of long distance competition in South Carolina, by providing an alternative of long distance service, and by increasing consumer awareness of options and services available, thereby encouraging growth and success of competitive services.

7. We find that the Settlement Agreement should be approved.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission concludes that a Certificate of Public Convenience and Necessity should be granted to Information Services to provide intrastate interLATA service and to originate and terminate toll traffic within the same LATA, as set forth herein, through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. With respect to Information Services' business services, the Commission adopts a relaxed regulatory scheme identical to that granted to AT&T Communications in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. Under this relaxed regulatory scheme, tariff filings for business services shall be presumed valid upon filing. The Commission will have seven (7) days in which to institute an investigation of any tariff filing. If the Commission institutes an investigation of a particular tariff filing within the seven days, the tariff filing will then be suspended until further Order of the Commission. Any relaxation in the future reporting requirements that may be adopted for AT&T shall apply to Information Services also. These alternative regulation orders were modified by

Order No. 2001-997 in Docket No. 2000-407-C which imposed a cap on operator-assisted calls where a consumer uses a local exchange carrier's calling card to complete calls from locations which have not selected the local exchange carrier as their toll provider.

Pursuant to Order No. 2001-997, this Commission modified the alternative regulation by the re-imposition of rate caps with regard to certain operator assisted calls where a customer uses a local exchange carrier's calling card to complete calls from locations which have not selected that local exchange carrier as the toll provider. Order No. 2001-997, dated November 8, 2001, imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat per-minute rate associated with these calls. The re-imposition of rate caps for certain operator assisted calls has led to alternative regulation now being known as "modified alternative regulation." The provisions of Order No. 2001-997 and the modification contained therein also apply to Information Services.

3. If it has not already done so by the date of issuance of this Order, Information Services shall file its revised tariff and an accompanying price list within thirty (30) days of receipt of this Order. The revised tariff shall be consistent with the findings of this Order, and the Company's Settlement Agreement with ORS, and, further shall be consistent with the Commission's Rules and Regulations.

4. Information Services is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers and facilities-based interexchange carriers should be treated similarly.

5. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

6. Information Services shall resell the services of only those carriers authorized to do business in South Carolina by this Commission. If Information Services changes underlying carriers, it shall notify the Commission in writing.

7. With regard to the origination and termination of toll calls within the same LATA, Information Services shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993), with the exception of the 10-XXX intraLATA dialing requirement, which has been rendered obsolete by the toll dialing parity rules established by the FCC pursuant to the Telecommunications Act of 1996 (See, 47 CFR 51.209). Specifically, Information Services shall comply with the imputation standard as adopted by Order No. 93-462 and more fully described in paragraph 4 of the Stipulation and Appendix B approved by Order No. 93-462.

8. Information Services shall file annual financial information in the form of annual reports and gross receipts reports as required by the Commission. The annual report and the gross receipt report will necessitate the filing of intrastate information. Therefore, Information Services shall keep financial records on an intrastate basis for South Carolina to comply with the annual report and gross receipts filings. The proper form for filing annual financial information can be found at the Commission's website at www.psc.sc.gov/reference/forms.asp. This form shall be utilized by the Company to file

annual financial information with the Commission and the Office of Regulatory Staff and shall be filed no later than **April 1st**. Commission gross receipts forms are due to be filed with the Commission and the Office of Regulatory Staff no later than **August 31st** of each year. The proper form for filing gross receipts information can be found at the website of the Office of Regulatory Staff, www.regulatorystaff.sc.gov.

9. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission and the Office of Regulatory Staff in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. Information Services shall file the names, addresses and telephone numbers of these representatives with the Commission and the Office of Regulatory Staff within thirty (30) days of receipt of this Order. The “Authorized Utility Representative Information” form can be found at the Commission’s website at www.psc.sc.gov/reference/forms.asp; this form shall be utilized for the provision of this information to the Commission. Further, the Company shall promptly notify the Commission in writing if the representatives are replaced.

10. The Company is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

11. At the hearing, the Company requested a waiver of 26 Code Ann. Regs. 103-610 (1976), which requires that records required by the Commission’s Rules and

Regulations be maintained in South Carolina. The record reveals that Information Services' principal headquarters will be located in Vermont, and the Company requests permission to maintain its books and records at its headquarters. The Commission finds Information Services' requested waiver reasonable and understands the difficulty presented to the Company should the waiver not be granted. The Commission therefore grants the requested waiver that Information Services be allowed to maintain its books and records at its principal headquarters. However, Information Services shall make available its books and records at all reasonable times upon request by the Commission or the Office of Regulatory Staff and Information Services shall promptly notify both if the location of its books and records changes.

12. The Company also requests a waiver of 26 S.C. Code Ann. Regs. 103-631 (1976), which would seem to require it to publish a local exchange directory, since it is not going to offer local services. This is a reasonable request, and a waiver is hereby granted.

13. Information Services further requests that it be exempt from record keeping policies that require a carrier to maintain its financial records in conformance with the Uniform System of Accounts (USOA). The USOA was developed by the FCC as a means of regulating telecommunications companies subject to rate base regulation. As a competitive carrier, Information Services maintains its book of accounts in accordance with Generally Accepted Accounting Principles (GAAP). GAAP is used extensively by interexchange carriers. Moreover, Information Services asserts that because it utilizes GAAP, the Commission will have a reliable means by which to

evaluate the Company's operations and assess its financial fitness. Accordingly, Information Services hereby requests an exemption from the USOA requirements. We grant the Company's request for the reasons stated above.

14. Each telecommunications company certified in South Carolina is required to file annually the Intrastate Universal Service Fund (USF) worksheet. This worksheet provides the Commission and the Office of Regulatory Staff information required to determine each telecommunications company's liability to the State USF fund. The Intrastate USF worksheet is due to be filed with both the Commission and the Office of Regulatory Staff annually no later than **August 15th**.

15. The Settlement Agreement is approved.

16. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Randy Mitchell, Chairman

ATTEST:

G. O'Neal Hamilton, Vice Chairman

(SEAL)

Docket No. 2005-139-C – Application of 800)
Response Information Services, LLC for a)
Certificate of Public Convenience and Necessity)
to Provide Resold Long Distance)
Telecommunications Services and for Alternative)
Regulation of its Long Distance Service)
Offerings.)

CERTIFICATE OF SERVICE

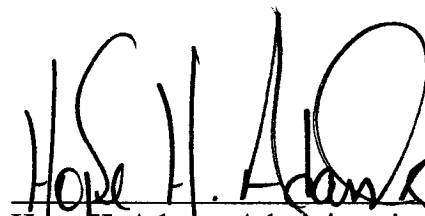
(Certified U.S. Mail)
(Return Receipt Requested)

I, Hope H. Adams, an employee of the Public Service Commission of South Carolina, do hereby certify that I have served a copy of **Order Granting Certificate for Interexchange Authority and Modified Alternative Regulation – Proposed Order of Hearing Examiner** regarding the above-referenced docket, dated December 2, 2005, as indicated below, by certified mail, return receipt requested, and having same placed in the United States Mail, postage prepaid and return address clearly indicated, this **2nd** day of **December, 2005**.

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Hope H. Adams, Administrative Assistant
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Legal Department